

Program B: Marketing

Program Authorization: R.S. 36:628(B)

Program Description

The mission of the Marketing Program is to increase the processing and sales of Louisiana food and agricultural products of producers and agribusiness in order to enhance the economic well-being of the State of Louisiana through the individuals and businesses whom we serve.

The goal of the Marketing Program is to create and sustain markets and affect jobs through its development of value-added food, agriculture and forestry products industries by way of financial assistance and counsel. To carry out this goal, the program operates financial, informational, promotional and market development activities.

Financial assistance is provided through the State Market Commission and the Louisiana Agricultural Finance Authority. Loans, loan guarantees, loan rate buy downs and low interest loans are provided to agribusiness for the acquisition, construction, expansion or improvement of facilities that process, store or market food (including seafood), agriculture and forestry products; to agribusinesses for operating capital, market development and product inventories, and to youth who are involved in an organized school program in agriculture; i.e., 4-H and FFA projects.

Informational assistance programs are provided to the general public, farmers and agribusinesses through the Federal State Market News Services and Market Bulletin. The Market News Service collects and disseminates price and market information on livestock, poultry and eggs, rice, grains, sweet potatoes, fruits and vegetables. The Market Bulletin provides for the advertising of agricultural items for sales to subscribers resulting in the sale/purchase of items not normally available in commercial trade channels.

Promotion and market development programs serve farmers, agribusinesses, food companies and the consumer through state, national and international trade shows, supermarket promotions, market research, commodity promotions, development and implementation of promotion and market development activities of these boards and commission.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 2001-2002	ACT 13 2002-2003	EXISTING 2002-2003	CONTINUATION 2003-2004	RECOMMENDED 2003-2004	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$2,049,220	\$1,684,307	\$1,684,307	\$1,698,090	\$699,836	(\$984,471)
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	296,154	329,320	329,320	329,320	329,320	0
Statutory Dedications	0	154,344	154,344	154,344	154,344	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	1,133,713	606,163	606,163	476,663	476,663	(129,500)
TOTAL MEANS OF FINANCING	\$3,479,087	\$2,774,134	\$2,774,134	\$2,658,417	\$1,660,163	(\$1,113,971)
EXPENDITURES & REQUEST:						
Salaries	\$1,005,662	\$1,024,901	\$1,024,901	\$1,037,125	\$700,089	(\$324,812)
Other Compensation	36,613	13,428	13,428	13,428	13,428	0
Related Benefits	165,935	175,577	175,577	111,836	72,826	(102,751)
Total Operating Expenses	808,445	475,982	475,982	487,832	312,528	(163,454)
Professional Services	166,377	176,891	176,891	181,295	176,891	0
Total Other Charges	1,252,710	907,355	907,355	809,401	384,401	(522,954)
Total Acq. & Major Repairs	43,345	0	0	17,500	0	0
TOTAL EXPENDITURES AND REQUEST	\$3,479,087	\$2,774,134	\$2,774,134	\$2,658,417	\$1,660,163	(\$1,113,971)
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	14	11	11	11	3	(8)
Unclassified	8	11	11	11	11	0
TOTAL	22	22	22	22	14	(8)

SOURCE OF FUNDING

This program is funded with State General Fund, Fees and Self-generated Revenues, Statutory Dedications and Federal Funds. The Fees and Self-generated Revenues are generated from: (1) a fee of up to 3% of the total assessments collected for the Rice Research and Promotion Boards, the Soybean and Grain Promotion Board, and the Crawfish Promotion Board; (2) interest collected from the Market Commission Loan Program; (3) reimbursement from the Southern United States Trade Association (SUSTA) for 100% of the director's salary, related benefits, etc.; (4) a fee of \$10.00 collected biannually for subscriptions to the Market Bulletin; and (5) miscellaneous revenues collected for booth rentals at food shows. Statutory Dedicated Revenues are the result of interest income and fees collected with any bonds issued by the Agricultural Finance Authority. (Per R. S. 39:36B.(8), see table below for a listing of expenditures out of each Statutory Dedicated Fund.) The Federal Funds are derived from: (1) USDA for collecting statistical livestock and crop data; (2) USDA for baled pine straw research project; and (3) USDA for telephone costs.

	ACTUAL	ACT 12	EXISTING	CONTINUATION	RECOMMENDED	RECOMMENDED
	2000-2001	2001-2002	2001-2002	2002-2003	2002-2003	OVER/(UNDER)
						EXISTING
Louisiana Agricultural Finance Authority Fund	\$12,179	\$154,344	\$154,344	\$154,344	\$154,344	\$0

MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$1,684,307	\$2,774,134	22	ACT 12 FISCAL YEAR 2001-2002
			BA-7 TRANSACTIONS:
\$0	\$0	0	None
\$1,684,307	\$2,774,134	22	EXISTING OPERATING BUDGET - December 20, 2001
\$7,511	\$7,511	0	Annualization of FY 2001-2002 Classified State Employees Merit Increase
\$84,605	\$84,605	0	Salary Base Adjustment
(\$519,679)	(\$519,679)	(8)	Position Reduction
\$0	(\$129,500)	0	Funding eliminated due to completion of the Emergency Crop Assurance activity
(\$100,000)	(\$100,000)	0	Non-Recurring funding for the Future Farmers of America
(\$456,908)	(\$456,908)	0	Reduction due to Executive Order MJF 2002-29
\$699,836	\$1,660,163	14	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$699,836	\$1,660,163	14	BASE EXECUTIVE BUDGET FISCAL YEAR 2002-2003
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$699,836	\$1,660,163	14	GRAND TOTAL RECOMMENDED

PROFESSIONAL SERVICES

\$154,861	Legal - Albondi, Gelpi, etc.
\$2,030	Accounting and Auditing services
\$20,000	To be Determined - Contracts deemed necessary by the Department to carry out its mission
\$176,891	TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

\$10,643	US Trade Associations
\$71,980	FFA and LSU Agriculture Center Educational agreements
\$11,245	Cooperative Agreement with FFA and LSU and the Department
\$12,759	Southern University Business Representative
\$53,300	Mexico Office
\$30,000	Media Contract (Gus Weill)
\$73,558	Egg Incentive Program
\$60,000	Marketing Improvement Program
\$50,000	Governor's Council - Ratify Southern Dairy Compact

\$373,485 SUB-TOTAL OTHER CHARGES

Interagency Transfers:

\$10,916	Office of Telecommunications Management Fees
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\$10,916 SUB-TOTAL INTERAGENCY TRANSFERS

\$384,401 TOTAL OTHER CHARGES

ACQUISITIONS AND MAJOR REPAIRS

This program does not have any funding recommended for Acquisitions and Major Repairs for Fiscal Year 2003-2004.